**Name:** …………………………………………………………… **Adm No**: ………………………

**Class:** …………………………………………………………. **Candidate’s Sign**: ……………

**Date:** …………………………………………………………….

**565/1**

**BUSINESS STUDIES**

**PAPER 1**

**TIME: 2 HOURS**

**POST MOCK 2019 -September**

 *Kenya Certificate of Secondary Education (K.C.S.E.)*

**FORM FOUR**

**INSTRUCTIONS TO CANDIDATES:**

* *Write* ***your name*** *and* ***Admission Number*** *in the spaces provided.*
* *Answer* ***all*** *the questions in the spaces provided.*

***For Examiner’s Use Only:***

|  |  |  |
| --- | --- | --- |
| **Question** | **Maximum score** | **Candidate’s score** |
| 1-25 | 100 MARKS |  |

1). Outline four features of Basic wants (4mks)

a)

b)

c)

d)

2). Name the type of warehouse associated with each of the statement given below (4mks)

|  |  |
| --- | --- |
|  **Statement** | **Type of warehouse** |
| a). Good can be stored before payment of custom duties |  |
| b). Individual can hire storage facilities |  |
| c). goods are stored from several manufacturers |  |
| d). Specialized goods are stored |  |

3. Highlight four characteristics of monopolistic competitive market (4mks)

a).

b).

c).

d).

4). The following balances were extracted from The books of Gaitu Traders for the month ended on 31st march 2005,

 Sh.

Sales 420,000

Purchases 240,000

Motor van 300,000

Equipment 120,000

Debtors 80,000

Creditors 40,000

Expenses 160,000

Capital 440,000

Prepare trial balance for Gaitu Traders as at 31st march 2005. (4mks)

5). Outline four benefits that Kenyan government from may get as a member of common market for Easter and Southern Africa (COMESA) (4mks).

a).

b).

c).

d).

6). Highlight Four circumstances under which a seller may offer after sales service to the buyer (4mks)

a).

b).

c).

d).

7). Highlight four indicators of economic growth that may be observed as a country progresses (4mks)

a).

b).

c).

d).

8). Outline four ways in which internal environment may contribute to success of a business (4mks)

a).

b)

c).

d).

9).Highlight four principles of a co-operative society (4mks)

a).

b).

c)

d).

10). Mobile phones have become a common means of communication in Kenya today. State four challenges that a trader may encounter when using mobile phones (4mks)

a).

b).

c)

d).

11). State four ways in which a youthful population may be useful to Kenyan economy (4mks)

a).

b).

c)

d).

12). State four characteristic of money (4mks)

a).

b).

c)

d).

13). Outline four principles of public expenditure. (4mks)

a).

b).

c)

d).

14). On 2nd November 2006 Kinoti received an invoice of Ksh. 12,000.Terms of payment were trade discount 5% and cash discount of 10% if payment is made within 30days. Determine the amount paid if payment was made on 28th November 2006. (4mks)

15). Outline four characteristic of property insurance (4mks)

a).

b).

c)

d).

16).Highlight four factors that may cause supply curve to shift to the right (4mks)

a).

b).

c)

d).

17). List four features of a good filing system (4mks)

a).

b).

c)

d).

18).The following information relates to Khadija wholesalers. Capital at the end of the year 2016 was sh. 190, 000, profit sh, 20,000, additional investment sh, 75,000 and drawings were sh.5000. Calculate Khadija wholesalers’ initial capital.

19). Kenya has recently discovered crude oil in turkana. Outline four advantages of transporting the oil through pipeline (4mks)

a).

b).

c)

d).

20. The table shows some occupation in production .Indicate the level of production associated with each of the following occupations. (4mks)

|  |  |
| --- | --- |
|  **Occupation** | **Level of production** |
| 1. mining
 |  |
| 1. oil refining
 |  |
| 1. insurance
 |  |
| 1. Teaching
 |  |

21). Highlight four benefits that would accrue to a firm located near other existing firms. (4mks).

a).

b).

c)

d).

22). State four roles of intermediaries in the chain of distribution. (4mks)

a).

b).

c)

d).

23). Outline four benefits of a business plan to an entrepreneur (4mks)

a).

b).

c)

d).

24). The following balances were extracted from the books of Kinja traders as at 31st December 2005.

 Sh.

Current liabilities 150,000

Net profit 50,000

Total Assets 500,000

2years Bank loan 100,000

Calculate the rate of return on capital (5mks)

25). Outline three monetary policy tools used by the central bank to control inflation. (3mks)

a).

b).

c).